

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 3/26/2013	(3) CONTACT/PHONE John McKenzie, Senior Planner/805-781-5452	
(4) SUBJECT Submittal of a Contract Amendment (Clerk's File) with Marine Resource Specialists in the amount of \$211,710, to extend Mitigation Monitoring for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project. District 4			
(5) RECOMMENDED ACTION It is recommended that the Board of Supervisors approve and direct the chairperson to sign the Monitoring Contract Amendment (Clerk's File) with Marine Resource Specialists, Inc. (MRS) to extend Mitigation Monitoring work for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project (D890558D) for an additional three months.			
(6) FUNDING SOURCE(S) Applicant Funded	(7) CURRENT YEAR FINANCIAL IMPACT \$211,710.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  19001244		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>4/12/2011</u> (Original contract)	
(17) ADMINISTRATIVE OFFICE REVIEW  Reviewed by Leslie Brown			
(18) SUPERVISOR DISTRICT(S) District 4 -			

# County of San Luis Obispo



**TO:** Board of Supervisors

**FROM:** Planning and Building, John McKenzie, Senior Planner

**VIA:** Ellen Carroll, Environmental Coordinator, Planning Division

**DATE:** 3/26/2013

**SUBJECT:** Submittal of a Contract Amendment (Clerk's File) with Marine Resource Specialists in the amount of \$211,710, to extend Mitigation Monitoring for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project. District 4

## **RECOMMENDATION**

It is recommended that the Board of Supervisors approve and direct the chairperson to sign the Monitoring Contract Amendment (Clerk's File) with Marine Resource Specialists, Inc. (MRS) to extend Mitigation Monitoring work for the Chevron/Guadalupe Oil Field Remediation and Abandonment Project (D890558D) for an additional three months.

## **DISCUSSION**

***Project Description/History.*** The Guadalupe Restoration Project (GRP) site occupies over 2,700 acres of the larger Nipomo Dunes Complex and is located on the Central California Coast in San Luis Obispo and Santa Barbara Counties (see Attachment A).

The principal land use at the project site, from 1946 to 1994, was the production of oil and natural gas. In the 1950's, a petroleum hydrocarbon referred to as "diluent" was introduced at the project site to assist in the production of heavy crude oil. Its use ceased in 1990. Over the years of its use and storage, diluent was inadvertently released from pipelines and storage tanks. Diluent sources are now present in soils and diluent plumes are present in ground water at multiple locations throughout the project site. Since detection of diluent contamination, extensive assessment activities to characterize and delineate the underground hydrocarbons as well as pilot studies to test the effectiveness of various remediation methods have been conducted at the project site.

In March 1998, the County certified a Final Environmental Impact Report (FEIR) that evaluated the impacts and determined mitigation measures for a wide variety of remedial actions, including excavation of diluent sources and treatment methods for the excavated material.

In November 1998, the Regional Water Quality Control Board (RWQCB) issued Clean-up and Abatement Order (CAO 98-38) that mandates excavation of contaminated soils at the project site -- including the excavation of specific areas of contamination consistent with the FEIR.

The applicant also obtained permits for remediation and restoration activities at the Guadalupe site from the California Coastal Commission, the U. S. Army Corps of Engineers, California Department of Fish and Game, and the San Luis Obispo County Air Pollution Control District.

**Monitoring.** Typically three monitors are on-site five days per week to monitor the remediation and restoration activities. Most of the time, multiple remediation and restoration activities are occurring at one time, which requires multiple on-site monitors in order to comply with various governmental agency permit conditions.

The working relationships that have formed between Chevron, the governmental agency staff and the monitors have resulted in the design and implementation of excavations that have minimized impacts to the sensitive ecological resources, and the creation of wetlands that support large numbers of rare and endangered species.

The wetland creation program at Guadalupe has been recognized as one of the most successful in the state of California. This project has set a model of how agencies and an applicant can work together to implement a large and complex project.

**Summary of Contract.** The attached contract amendment with MRS would provide the County mitigation monitoring services associated with the remediation of the Guadalupe Oil Field for three additional months. This will ensure monitoring services are provided while the County works toward securing a new two-year contract for these services.

MRS has been monitoring the site, on the County's behalf, for the last eight years. They have also been acting as the monitor on behalf of six additional permitting agencies, as specified in the original permit's conditions of approval. Over this time, MRS has developed: a comprehensive understanding of each agency's issues; a good working relationship with each of these agencies; and an efficient reporting and monitoring program for the ongoing remedial efforts. All agencies and the applicant were contacted on the performance of MRS and unanimously agreed that MRS was doing an excellent job and their expertise and knowledge of the operation was important to keep the multi-agency, remedial effort running smoothly.

The current contract with MRS is set to expire on April 12, 2013. This amendment will extend the term of this agreement to July 12, 2013.

Attachment C provides a general summary of the previous and ongoing remedial efforts to date.

This contract amendment complies with all County contract policies and procedures.

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

The scope of work provides monitoring services for the County, as well as for the following agencies: Coastal Commission, Regional Water Quality Control Board, CA Department of Fish and Wildlife, U.S. Fish and Wildlife Service, County Air Pollution Control District, and the U.S. Army Corps of Engineers, all of whom participate on the Multiple Agency Coordination Committee (MACC). County Counsel reviewed the Contract Amendment as to form and legal effect.

#### **FINANCIAL CONSIDERATIONS**

The applicant (Chevron) will fund the required monitoring work. The proposed total of \$211,710 would cover the cost of the proposed scope of work for up to three additional months. Staff costs will be recovered through an administrative processing fee.

## **RESULTS**

By approving the contract extension with MRS Environmental, Inc., the County and six other agencies continue to have a designated mitigation monitor for remediation at the Guadalupe Oil Field. The conditions of approval required for the Guadalupe Development Plan and Coastal Development Permit specify that a monitor must be under contract and providing mitigation monitoring services in order for Chevron to undertake remediation projects at each stage of the clean-up.

The Monitoring work will provide the necessary County oversight to ensure Condition compliance of this large and complex remedial project. This is consistent with the County-wide goals of providing a well-governed and livable community.

## **ATTACHMENTS**

1. Attachment A - Location Map
2. Attachment B - Contract Amendment (Clerk's File)
3. Attachment C – Summary of Remedial Efforts to Date